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AT SEATTLE
CLERK U.S. DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
DEPUTY

08-CV-01861-CMP

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

KAREN HANDLIN, BRIAN HANDLIN, and
MAXINE FORTUNE,

Plaintiffs,

v.

MURPHY PIERSON; MICHELLE
MERCERI; KATHERINE MERCERI;
ALTERNATIVE INVESTORS, INC.; FOCUS
MORTGAGE, LLC; AZ-WA INVESTORS (a
partnership); RECONTRUST COMPANY,
N.A.; and GMAC MORTGAGE
CORPORATION,

Defendants.

NO. **C 08-1861** JCC

NOTICE OF REMOVAL UNDER
28 U.S.C. § 1441

TO: THE CLERK OF THE COURT

AND TO: ERIC DUNN, Attorney for Plaintiffs

PLEASE TAKE NOTICE that defendant GMAC MORTGAGE CORPORATION does hereby remove to the United States District Court for the Western District of Washington. Removal is based upon *inter alia*, the following grounds:

1. On November 7, 2008, plaintiffs Karen Handlin, Brian Handlin, and Maxine Fortune filed their Complaint in this action in the King County Superior Court for the State of Washington as Case No. 08-2-38667-8SEA. The Complaint alleges causes of action against the Defendant under the Truth in Lending Act, 15 U.S.C. § 1601, the Real Estate Settlement Procedures Act, 15 U.S.C. § 2605, and the Racketeering-Influenced and
NOTICE OF REMOVAL UNDER 28 U.S.C. §

1441(b) - 1

BISHOP, WHITE & MARSHALL, P.S.

720 OLIVE WAY, SUITE 1301

SEATTLE, WASHINGTON 98101-1801

206/622-5306 FAX: 206/622-0354

ORIGINAL

NO. 08-1861-SEA-22849

1 Corrupt Organizations Act (RICO), 18 U.S.C.1962. See Complaint at ¶¶ 54, 64 and 81
2 (Attached hereto as Exhibit A).

3 2. The Summons (Attached hereto as Exhibit B) and Complaint were served
4 on Defendants on December 4, 2008.

5 3. This is a civil action over which this Court has original jurisdiction under
6 28 U.S.C. §1331 (federal question).

7 4. Because Plaintiff filed the above-entitled action in King County Superior
8 Court this case should be assigned to the United States District Court for the Western
9 District of Washington in Seattle pursuant to Local Rule 5(e)(1).

10 5. This notice is filed with the Court within thirty (30) days after Defendants
11 were served with the Complaint pursuant to 28 U.S.C. §1441(b).

12 6. All state law claims asserted by Plaintiff in the Complaint relate to and arise
13 from the same nucleus of operative facts. Accordingly, pursuant to 28 U.S.C. §1367(a),
14 this Court has supplemental jurisdiction to hear and decide all claims asserted by Plaintiffs
15 in the Complaint.

16 7. Defendants caused a copy of the Notice to Adverse Party of Removal to
17 Federal Court to be filed in King County Superior Court and served upon the Plaintiff.
18 Copies of Defendants' Notice and Certificate of Service of such notice are attached hereto
19 as Exhibit C.

20 ////

21 ////

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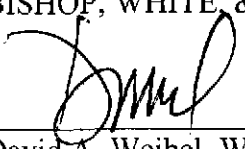
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25 ////

1 WHEREFORE, Defendants give notice that the above-entitled action pending
2 against it in the Superior Court for the State of Washington, County of King is hereby
3 removed to this Court.

4 DATED this 31st day of December 2008.

5 BISHOP, WHITE & MARSHALL, P.S.

6 
7 _____
8 David A. Weibel, WSBA # 24031
9 Attorneys for Defendant
10 GMAC Mortgage Corp.

11 DECLARATION OF SERVICE

12 I declare, under penalty of perjury under the laws of the State of Washington and
13 the United States of America, that on the 31st day of December, 2008, I caused a copy of
14 the Notice of Removal Under 28 U.S.C. § 1441(b) to be served on all parties and/or their
15 counsel of record in the manner indicated below:

16 Eric Dunn
17 Northwest Justice Project
18 401 Second Avenue S., Suite 407
19 Seattle, WA 98104

[] By United States Mail
[X] By Legal Messenger
[] By Facsimile
[X] By Hand Delivery

20 Dated this 31st day of December, 2008, at Seattle, Washington.

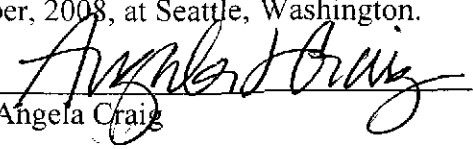
21 
22 _____
23 Angela Craig
24
25

EXHIBIT A

Hon. Mertel
Trial Date: May 3, 2010

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

KAREN HANDLIN, BRIAN HANDLIN, and
MAXINE FORTUNE

Plaintiffs,

vs.

MURPHY PIERSON, MICHELLE MERCERI,
KATHERINE MERCERI, ALTERNATIVE
INVESTORS, INC., FOCUS MORTGAGE,
LLC, AZ-WA INVESTORS (a partnership),
RECONTRUST COMPANY, N.A., and
GMAC MORTGAGE CORPORATION

Defendants.

No. 08-2-38667-8 SEA

FIRST AMENDED COMPLAINT

Plaintiffs Karen Handlin and Brian Handlin submit this First Amended Complaint as of
right, pursuant to CR 15(a):

INTRODUCTORY STATEMENT

1. Plaintiffs Karen and Brian Handlin are Bellevue, Washington, homeowners; Plaintiff
Maxine Fortune is the mother of Karen Handlin.

COPY

1 2. In 2007, the Plaintiffs fell behind on a \$284,000 home loan, secured by a mortgage on
2 their \$502,000 residence; when foreclosure proceedings commenced, the Defendants contacted
3 the Plaintiffs and offered to help them "save the home from foreclosure."

4 3. However, what the Defendants intended to do, and ultimately did to the Plaintiffs, was
5 orchestrate an unlawful scheme, called a "distressed home conveyance," designed to strip the
6 Plaintiffs of their home equity.

7 4. A distressed home conveyance is a common type of "foreclosure rescue scam,"
8 fraudulent transactions designed to exploit the circumstances of homeowners facing foreclosure:

9 This scenario includes various schemes under which the homeowner surrenders title to the house
10 in the belief that s/he is entering a deal where s/he'll be able to remain as a renter, and buy it back
over the next few years. . . . But the terms of these deals are almost invariably so onerous that the
11 buyback becomes impossible, the homeowner permanently loses possession, and the 'rescuers'
walk off with all or most of the home's equity.

12 *National Consumer Law Center, "Dream Foreclosed: The Rampant Theft of Americans'*
Homes through Equity-Stripping Foreclosure 'Rescue' Scams," June 2005.

13 5. The Washington Legislature has recently enacted legislation designed to curb such
14 foreclosure rescue scams, including distressed home conveyances; see S.L. 2791 of 2008, see
15 RCW 61.34.020(5) (defining "distressed home conveyance"); see also RCW 61.34.010 ("The
16 legislature finds that persons are engaging in patterns of conduct which defraud innocent
17 homeowners of their equity interest or other value in residential dwellings under the guise of a
18 purchase of the owner's residence but which is in fact a device to convert the owner's equity
19 interest or other value in the residence.").

20 6. After using a malicious distressed home conveyance to convert the Plaintiffs' home
21 equity, the Defendants commenced judicial unlawful detainer proceedings intended to evict the
22 Plaintiffs from their home.
23
24

1 7. The Plaintiffs now bring this action designed to reclaim their home from the
2 Defendants; the Plaintiffs seek an order declaring the deed transferring title of their home to
3 Defendant (Murphy Pierson) be void or at most an equitable mortgage, and injunctive relief
4 precluding eviction and restraining Defendants from bringing financial ruin to others through
5 similar equity-stripping scams.

6 **BACKGROUND ALLEGATIONS**

7 8. Plaintiff Maxine Fortune purchased the property commonly known as 5623 - 129th
8 Avenue SE, Bellevue, Washington (the property or the home), in 1973, and lived there as her
9 primary residence until Fall 2008.

10 9. Plaintiff Karen Handlin, the daughter of Maxine Fortune, has lived in the property at
11 all relevant times.

12 10. The legal description of the property at 5623 - 129th Avenue SE in Bellevue is:

13 Lot 3, Block 1, Newport Hills No. 9, according to the plat thereof recorded
14 in Volume 69 of Plats, page 17, records of King County, Washington

15 11. The Tax Parcel Number for the property is 607190-0030-06.

16 12. Prior to 2006, Maxine Fortune executed certain quit claim deeds conveying the
17 property to herself and her daughter, Plaintiff Karen Handlin, as tenants in common.

18 13. In 2004, Maxine Fortune and Karen Handlin took out a home equity loan (the
19 "Argent Loan") from a company called Argent Mortgage Company, LLC; the principal of the
20 note was \$284,000 and payment was secured by a Deed of Trust to the property.

21 14. In 2007, Maxine Fortune and Karen Handlin became delinquent on the Argent Loan,
22 so the trustee for the Argent Loan recorded a notice of trustee's sale on July 25, 2007; the sale
23 was scheduled for November 9, 2007.

24 15. Shortly after the Notice of Trustee's Sale was published, Plaintiffs received a mailed

1 advertisement from Defendant Alternative Investors, Inc., which offered a "solution" that could
2 help the Plaintiffs "save [their] home from foreclosure;" the advertisement claimed Alternative
3 Investors, Inc., had "helped over 100 families get out from under the threat of foreclosure."

4 16. Plaintiffs responded to the ad by calling Alternative Investors, Inc., and spoke with
5 Defendant Michelle Merceri.

6 17. Defendant Michelle Merceri of Alternative Investors, Inc., proposed that the Plaintiffs
7 enter into a transaction whereby: (i) Alternative Investors would locate an "investor" to pay off
8 the Plaintiffs' delinquent Argent Loan; (ii) the Plaintiffs would give a deed to their property to
9 the Defendants, who would "hold title;" (iii) the Plaintiffs would make "payments" to the
10 investor for eighteen months thereafter; and (iv) at the end of the eighteen month period, the
11 Plaintiffs would reacquire title of their home by paying off the investor, using a new loan that
12 Alternative Investors would assist the Plaintiffs in obtaining.

13 18. In net effect, the transaction Michelle Merceri proposed to the Plaintiffs amounted to
14 a "distressed home conveyance," as defined by RCW 61.34.020(5).

15 19. A distressed home conveyance is, in substance, a home equity loan, but one that takes
16 the written form of sequential sales, leases, and option agreements; by using the sale-leaseback
17 form, the Defendants intended (i) to circumvent the Truth-In-Lending Act, Consumer Loan Act,
18 usury statute, and other consumer protection laws that pertain to home equity loans, and (ii)
19 deprive the Plaintiffs of the legal protections afforded by Washington's foreclosure laws in the
20 event of default.

21 20. After speaking with the Michelle Merceri, the Plaintiffs expressed interest in pursuing
22 a "solution" along the lines Michelle Merceri described.

23 21. Defendants Michelle Merceri and Katherine Merceri ("the Merceris") of Alternative
24

1 Investors, Inc., then arranged for their partner and business associate, Defendant Murphy
2 Pierson, to "invest" in the property, and the Merceris prepared documents by which to effectuate
3 the distressed home conveyance transaction.

4 22. At various times between early August and mid-October of 2007, the Merceris
5 prepared and the Plaintiffs executed various documents concerning the transaction; Defendant
6 Pierson also executed documents the Merceris prepared during this time; the Merceris promised
7 to provide copies of the documents to the Plaintiffs but never did so; the Plaintiffs have since
8 obtained copies of some of the documents but have been unable to obtain copies of other
9 materials; accordingly, the exact contents of the documents are not presently known to the
10 Plaintiffs; however, on information and belief, the significant documents included:

11 a. A Statutory Warranty Deed ("the deed") that Karen Handlin, Brian
12 Handlin, and Maxine Fortune executed on or about October 11, 2007, purporting to
13 convey the home to Murphy Pierson; all parties to the deed intended the deed not as an
14 outright conveyance, but as security to assure that the Plaintiffs' payment of the financial
15 obligations associated with the transaction (in substance, \$1,800 per month in "rent" plus
16 a \$485,000 "repurchase" price);

17 b. A residential rental agreement, whereby Pierson agreed to "lease" the
18 property back to the Plaintiffs for \$1,800 per month rent; and

19 c. A "Residential Option to Purchase Agreement," whereby the Plaintiffs
20 promised to "repurchase" their home from Pierson for \$485,000 after 18 months, using a
21 loan obtained through Defendant Focus Mortgage, LLC.

22 23. On an unknown date prior to November 9, 2007, Defendant Murphy Pierson obtained
23 a \$417,000 mortgage loan from GMAC Mortgage Corporation (GMAC); the loan was brokered
24

1 and arranged by the Merceris and Defendants Focus Mortgage, LLC, and Alternative Investors,
2 Inc.; repayment of Pierson's loan was secured by a deed of trust concerning the Plaintiffs' home
3 (5623 - 129th Avenue SE in Bellevue).

4 24. On information and belief, approximately \$290,686.58 of the proceeds from Pierson's
5 GMAC Loan were paid to retire the delinquent Argent Loan, and about \$120,000 of the balance
6 was appropriated by Defendants Michelle Merceri, Katherine Merceri, Alternative Investors,
7 Inc., and Focus Mortgage, LLC, in unknown portions.

8 25. The Defendants also promised the Plaintiffs that Focus Mortgage, LLC, a company
9 owned and controlled by the Defendants, would procure the financing necessary for the Plaintiffs
10 to "repurchase" their home at the end stage of the transaction; indeed, the transaction terms
11 further prohibited the Plaintiffs from obtaining financing through any other source but Defendant
12 Focus Mortgage, LLC.

13 26. To complete the "repurchase" would have required the Plaintiffs to obtain a purchase
14 money loan (rather than a home equity loan), of at least \$485,000; the Defendants knew, or
15 should have known, that the Plaintiffs could not realistically have qualified for such financing,
16 yet the Defendants failed to sufficiently inform the Plaintiffs of the amount the Plaintiffs would
17 need to borrow or the likelihood the Plaintiffs could obtain such financing.

18 27. As the Plaintiffs' home had been appraised in 2007 for \$502,000 and the tax-assessed
19 value was over \$470,000, the Plaintiffs would not have sold it in 2007 for \$290,686.58.

20 28. For the Plaintiffs to preserve their home in accordance with the transaction terms as
21 arranged by the Defendants, the Plaintiffs would effectively pay a finance charge of at least
22 \$220,379.22 over 18 months on a loan principal of, at most, \$297,020.78, meaning the effective
23 annual interest rate of the transaction was at least 49.46%.

1 29. Throughout the discussions leading to the distressed home conveyance, the Plaintiffs
2 never received Truth-In-Lending cost-of-credit disclosures, or a HUD-1 Settlement Statement, or
3 any substantial equivalent showing a complete and accurate breakdown of the funds they were
4 borrowing, the associated finance charges and interest rates, the total of payments, schedule of
5 payments, or other material information setting forth the substantial terms of the transaction.

6 30. The Plaintiffs did not understand the amount they were borrowing or the amount they
7 would need to repay in order to keep their home, nor did the Plaintiffs understand the legal
8 consequences of default (on the transaction with the Defendants).

9 31. Beginning in November 2007, the Plaintiffs began making monthly payments of
10 \$1,800 to the Defendants via a U.S. Bank account in the name of "Murphy Pierson/Alternative
11 Inv.;" Plaintiffs paid Defendants at least \$17,100 through September 2008 in this manner.

12 32. In September 2008, Defendant Pierson served the Plaintiffs with a 20-Day Notice to
13 Terminate Tenancy and refused to accept further "rent" payments thereafter; Pierson claimed the
14 Plaintiffs were then occupying the premises pursuant to a "month-to-month" tenancy and that he
15 was entitled to terminate the tenancy pursuant to RCW 59.12.030(2).

16 33. The Plaintiffs had continued to occupy the residence without incident until September
17 2008, at which time Defendant Pierson first commenced efforts to evict the Plaintiffs from the
18 home; since that time, Maxine Fortune has moved out of the property but Plaintiffs Karen and
19 Brian Handlin still live there with their children.

20 **PARTIES, JURISDICTION AND VENUE**

21 34. Plaintiffs Karen Handlin, Brian Handlin, and Maxine Fortune are natural persons who
22 live in King County, Washington.
23
24

1 35. Defendants Michelle Merceri, Katherine Merceri, and Murphy Pierson are natural
2 persons who carry on continuous and systematic business in King County, Washington,
3 including with respect to the transactions and occurrences alleged in this complaint.

4 36. Defendants Alternative Investors, Inc., Focus Mortgage, LLC, AZ-WA Investors (a
5 partnership), ReconTrust Company, N.A., and GMAC Mortgage Corporation are business
6 organizations that carry on continuous and systematic business in King County, Washington,
7 including with respect to the transactions and occurrences alleged in this complaint.

8 37. Defendants Michelle Merceri, Katherine Merceri, and Murphy Pierson are agents of
9 each other and of Alternative Investors, Inc., Focus Mortgage, LLC, and AZ-WA Investors;
10 Defendants Alternative Investors, Inc., Focus Mortgage, LLC, and AZ-WA Investors are agents
11 of each other and of Defendants Michelle Merceri, Katherine Merceri, and Murphy Pierson.

12 38. Defendants Michelle Merceri, Katherine Merceri, and Focus Mortgage, LLC, are
13 agents of each other and of GMAC.

14 39. ReconTrust Company, N.A., is the trustee of the deed of trust concerning the
15 property, which purports to secure Murphy Pierson's repayment of the GMAC loan.

16 40. Venue is appropriate in this Court because the central purpose of this lawsuit
17 concerns the determination of questions affecting title to real estate located in Bellevue, King
18 County, Washington. See RCW 2.08.210; 4.12.010(1); also, the principal parties and witnesses
19 are present in King County and the substantial events giving rise to the action took place in King
20 County; this action is subject to the Seattle case assignment area. See LR 82(e)(3).

21 **COUNT ONE: QUIET TITLE -- EQUITABLE MORTGAGE**

22 41. Upon information and belief, Defendants advanced funds of about \$290,020.58 on
23 behalf of the Plaintiffs between August and November, 2007, for the purpose of retiring a
24

1 delinquent mortgage then encumbering the Plaintiffs' home.

2 42. The Plaintiffs signed a "Residential Option to Purchase Agreement" purporting to
3 agree to repay these funds, with substantial interest, at the rate of \$1,800 per month for 18
4 months, and then \$485,000 in a "balloon payment" at the end of the 18 month period, and gave
5 the Defendants a Statutory Warranty Deed to secure performance of this financial obligation;
6 despite the contents of the written document, the Plaintiffs believed, based on the Defendants
7 earlier oral representations, that the "repurchase" amount would be roughly equal to the amount
8 paid to retire the Argent Loan (which the Plaintiffs believed was around \$285,000).

9 43. The Defendants accepted the Statutory Warranty Deed for the express purpose of
10 "holding title" and with the expectation that the deed would serve as security; no party intended
11 for the Statutory Warranty Deed to convey outright title of the property to Defendants; if the
12 Defendants did so intend, they fraudulently concealed that intent by representing to the Plaintiffs
13 that the purpose of the deed was for security.

14 44. The circumstances under which the Plaintiffs executed the Statutory Warranty Deed
15 further demonstrate that the deed was intended as security for a loan, and not as an outright
16 conveyance, because, among other things:

17 a. The Plaintiffs were facing foreclosure on their Argent Loan and executed
18 the deed under financial distress;

19 b. An ongoing debtor-creditor relationship continued after the execution and
20 delivery of the deed, and all parties anticipated that the Plaintiffs would ultimately remain
21 the owners of the home;

22 c. The consideration the Plaintiffs received for the deed was egregiously
23 inadequate and unfair to the Plaintiffs, consisting of about \$290,686.58 in actual value
24

1 received, whereas the property was worth at least \$470,000 and had been appraised for
2 over \$500,000 around the time of the transaction;

3 d. The Plaintiffs remained responsible for maintaining the property and paying for
4 repairs and upkeep even after the deed;

5 e. Defendant Murphy Pierson, the grantee on the deed, expected to receive
6 financial compensation for his role in the transaction and did not intend to become the
7 owner of the Plaintiffs' home or serve as their landlord; and

8 f. In the oral discussions leading to the deed, the parties discussed only a
9 financing transaction, not a real estate sale, and the Defendants' oral and written
10 representations indicated that the Defendants were interested in helping the Plaintiffs
11 "save their home from foreclosure"

12 45. The Defendants wrongfully and deceptively masked this credit transaction as a series
13 of real estate sales for improper purposes, including:

14 a. To conceal the fact that the transaction was in substance a loan, which would
15 have required the Defendants to give cost-of-credit disclosures and an itemized list of
16 transaction fees, charges, and disbursements, information that could have deterred the
17 Plaintiffs from entering into the transaction;

18 b. To conceal the fact that the Merceris, Alternative Investors, Inc., and Focus
19 Mortgage, LLC, would receive approximately \$120,000 of the Plaintiffs' home equity
20 from the transaction, an amount wholly out of proportion to the value of any benefits or
21 services they could have provided to the Plaintiffs;

22 c. To conceal the fact that the transaction was in substance a loan, which would
23 have prohibited the Defendants from collecting more than 12% (annual) interest on the
24

1 principal loaned, whereas this transaction called for the Plaintiffs to repay the total of
2 \$517,400.00 within 18 months on loaned funds of about \$290,686.58, an effective annual
3 interest rate of at least 49.46%; and

4 d. To conceal the fact that the transaction was a loan, thus enabling Defendant
5 Pierson to obtain a home loan from Defendant GMAC, from the proceeds of which the
6 other Defendants realized their unjust gains.

7 46. The transaction is designed to deprive the Plaintiffs of their statutory and common
8 law redemption rights because, under the written terms of the transaction the Plaintiffs must pay
9 \$517,400.00 within 18 months, or else Defendant Pierson, without foreclosing on the loan as
10 ordinarily required by law, would automatically assume title to the Plaintiffs' home.

11 47. The Statutory Warranty Deed having been intended to convey only a security interest
12 to Defendant Pierson, and not as an outright conveyance of title, the deed should thus be declared
13 an equitable mortgage. See *Plummer v. Ilse*, 41 Wash. 5, 11; 82 P. 1009 (1905) ("Where the
14 transactions actually occurring between the parties are clearly of such a nature as to show a deed
15 absolute in form to have been a mortgage, courts of equity will construe it as such."); see also
16 *Phillips v. Blaser*, 13 Wash.2d 439; 125 P.2d 291 (1942); *Parker v. Speedy Re-Finance, Ltd.*, 23
17 Wn. App. 64; 596 P.2d 1061 (1979); *Gossett v Farmers Ins. Co.*, 133 Wash.2d 954; 948 P.2d
18 1264 (1997).

19 48. An order of quiet title, restoring title of the home to Plaintiffs Karen Handlin and
20 Maxine Fortune, is thus appropriate pursuant to RCW 7.28 et seq.

21 49. Defendant GMAC, and any party to who received an assignment of any interest in
22 title to the property from Defendant Pierson, acquired its interest in the property with actual or
23 constructive knowledge of the Plaintiffs' interests, because, among other reasons, the Plaintiffs
24

1 have continuously resided in the property at all relevant times and would have truthfully and
2 accurately described their interest in the property if asked. See *Mieback v. Colasurdo*, 35 Wn.
3 App. 803, 815; 670 P.2d 276 (1983) ("possession constitutes notice [because] it generally creates
4 an apprehension in a reasonable mind that the possessor has a claim to the property, requiring
5 further inquiry.").

6 **COUNT TWO: UNCONSCIONABILITY**

7 50. The terms of the transaction into which the Plaintiffs entered was unconscionable
8 because the Plaintiffs lacked meaningful choice at the time of entering into the transaction and
9 because the terms were grossly unfair and abusive to the Plaintiffs.

10 51. The Plaintiffs lacked meaningful choice at the time of entering into the contract
11 because, among other things:

12 a. The Plaintiffs were facing foreclosure on their home and entered the transaction
13 under pressure and financial duress;

14 b. Important transaction terms and other relevant information, such as the loan
15 principal, interest rate, and total of payments, was not disclosed to the Plaintiffs in a full,
16 fair, accurate and timely manner and the Defendants made deceptive or misleading
17 representations concerning the transaction terms, as well as the Defendants' intentions,
18 qualifications, and fees;

19 c. Without material cost-of-credit disclosures and without an itemized settlement
20 statement, the Plaintiffs were deprived of a reasonable opportunity to evaluate the
21 transaction and understand its terms prior to entering into it.

22 52. The transaction terms were grossly unfair and abusive to the Plaintiffs because,
23 among other things:
24

1 a. The transaction provided the Merceris, Alternative Investors, Inc., and Focus
2 Mortgage, LLC, with approximately \$120,000 of the Plaintiffs' home equity, an amount
3 wholly out of proportion to the value of any benefits or services they could have provided
4 to the Plaintiffs;

5 b. The transaction called for the Plaintiffs to pay over \$220,00 in finance charges
6 over 18 months on a loan principal of, at most, \$297,020.78, meaning the effective
7 annual interest rate of the transaction was at least 49.46%, more than quadruple the
8 permissible interest rate under RCW 19.52.020;

9 c. By arranging for the Plaintiffs to secure the transaction with a Statutory
10 Warranty Deed, rather than a Deed of Trust or other orthodox form of security interest,
11 the Defendants caused the Plaintiffs to forfeit the statutory and common law redemption
12 rights and other legal notices and protections associated with foreclosure; and

13 d. By requiring the Plaintiffs to obtain a subsequent home equity loan through
14 Defendant Focus Mortgage, LLC, the Defendants undermined the Plaintiffs' ability to
15 engage in comparison shopping and bargain for favorable loan terms.

16 53. Accordingly, this Court should find the transaction terms both procedurally and
17 substantively unconscionable, and rescind the transaction consistent with the principles of equity
18 and the interests of justice.

19 **COUNT THREE: TRUTH-IN-LENDING ACT VIOLATIONS**

20 54. Defendants are "creditors" for purposes of the federal Truth-In-Lending Act, 15 USC
21 1601 et seq.

22 55. As "creditors," Defendants were statutorily obligated to provide material cost-of-
23 credit disclosures to the Plaintiffs, including amount financed, finance charge, total of payments,
24

1 annual percentage rate, good faith estimate, notice of right to cancel, and other information, at
2 least three days prior to making a home equity loan to the Plaintiffs. See 15 USC 1601 et seq.

3 56. The Defendants failed to provide material cost-of-credit disclosures to the Plaintiffs in
4 accordance with the Truth-In-Lending Act.

5 57. Consequently, the transaction is subject to statutory rescission in accordance with 15
6 USC 1635, and the Plaintiffs are entitled to damages pursuant to 15 USC 1640.

7 58. Furthermore, Defendants' failure to deliver the required cost-of-credit disclosures
8 constitutes a per se violation of the Consumer Protection Act, being RCW 19.82 et seq.

9 **COUNT FOUR: USURY**

10 59. The loan that Defendants made to the Edlunds was subject to Washington's Usury
11 Statute, being RCW 19.52 et seq.

12 60. The maximum permissible interest rate on this home loan was therefore at or less than
13 12% per annum. RCW 19.52.020(1).

14 61. As explained above, the interest rate on this transaction was in excess of 49.46% per
15 annum, and was therefore usurious and unlawful pursuant to RCW 19.52.020(1).

16 62. Various Defendants have already collected and appropriated to themselves at least
17 \$144,300 of unlawful interest on this transaction, and are liable for the return of at least double
18 that finance charge, being a minimum of \$288,600.

19 63. Defendants' efforts in collecting this unlawful debt are unlawful and constitute a per
20 se violation of the Consumer Protection Act, being RCW 19.82 et seq.

21 **COUNT FIVE: RESPA VIOLATIONS**

22 64. If the Defendants claim that the loan they made to the Plaintiffs was a federally-
23 related mortgage loan, then Defendants were obligated to provide the Plaintiffs with a standard
24

1 form for the statement of settlement costs developed and prescribed by the U.S. Department of
2 Housing and Urban Development (HUD), also known as a "HUD-1 Settlement Statement." 12
3 USC 2603 (Real Estate Settlement Procedures Act, or "RESPA").

4 65. Defendants failed to prepare and issue to the Plaintiffs a HUD-1 Settlement Statement
5 accurately disclosing the settlement costs in this transaction, in violation of 12 USC 2603.

6 66. Failure to provide a HUD-1 Settlement Statement in transactions where the statement
7 is required is a per se violation of the Consumer Protection Act, being RCW 19.82 et seq.

8 **COUNT SIX: WASHINGTON MORTGAGE BROKER PRACTICES ACT VIOLATIONS**

9 67. Some Defendants are, or acted as, mortgage brokers or loan originators subject to the
10 Mortgage Broker Practices Act, being RCW 19.146 et seq.

11 68. The Plaintiffs consulted with some Defendants in an effort to obtain or seek advice or
12 information on obtaining or applying for a residential mortgage loan, for which reason the
13 Plaintiffs are "borrowers" entitled to certain protections under the Mortgage Broker Practices
14 Act. See RCW 19.146.010(2).

15 69. Those Defendants subject to the Mortgage Broker Practices Act violated numerous
16 provisions of that Act with respect to the Plaintiffs, including:

17 a. Employing a scheme, device, or artifice to defraud and mislead the Plaintiffs,
18 which was designed and did deprive the Plaintiffs of about \$120,000 in home equity;

19 b. Employing a scheme, device, or artifice to defraud and mislead the Plaintiffs,
20 which was designed to deprive the Plaintiffs of their home for an unfair price (being at
21 over \$180,000 less than its appraised value), or alternatively to gain finance charges of
22 at least \$220,000 on loaned funds of no more than \$297,020.78 over 18 months;

1 c. Engaging in unfair and deceptive practices, such as promising to help the
2 Plaintiffs "save their home from foreclosure" while having no such intention, falsely
3 claiming to have "helped over 100 families get out from under the threat of foreclosure,"
4 and as detailed elsewhere in this Complaint;

5 d. Withholding relevant information material to a real estate financing transaction
6 that Defendants had a duty to disclose to Plaintiffs, such as the interest rate, or the fact
7 that to "repurchase" their house would likely require the Plaintiffs to secure a purchase
8 money mortgage loan for which they almost certainly could not qualify;

9 e. Failing to provide the written disclosures to the Plaintiffs that are required by
10 RCW 19.146.0201(13)(b);

11 f. Preparing and arranging a real estate credit transaction without providing the
12 Plaintiffs the written disclosures of fees and costs required by RCW 19.146.030; and

13 g. Actually charging and receiving fees from the Plaintiffs without providing the
14 written disclosures required by RCW 19.146.030, and obtaining fees of a type or in an
15 amount not permitted by RCW 19.146.030 or RCW 19.146.030.

16 **COUNT SEVEN: BREACH OF FIDUCIARY DUTY**

17 70. Defendants Michelle Merceri, Katherine Merceri, Alternative Investors, Inc., and
18 Focus Mortgage, LLC, owed common law fiduciary duties to the Plaintiffs because (i) those
19 Defendants agreed to act as the Plaintiffs' agents, and (ii) the Plaintiffs placed their trust and
20 confidence in the Defendants, and relied on the Defendants to exercise their skills and expertise
21 for the Plaintiffs' benefit.

1 71. Defendants Michelle Merceri, Katherine Merceri, Alternative Investors, Inc., and
2 Focus Mortgage, LLC, also owed statutory fiduciary duties to Plaintiffs under RCW 19.146.095
3 and RCW 61.34.060.

4 72. Defendants Michelle Merceri, Katherine Merceri, Alternative Investors, Inc., and
5 Focus Mortgage, LLC, breached the fiduciary duties they owed the Plaintiffs by:

6 a. Failing to act in the Plaintiffs' best interests and utmost good faith by taking
7 excessive and unreasonable fees (of approximately \$120,000);

8 b. Having a conflict of interest between fiduciary duties owed to the Plaintiffs and
9 duties owed to Defendant Pierson, and actually causing Pierson to acquire the Plaintiffs'
10 home for substantially less than its value;

11 c. Advising and instructing the Plaintiffs to enter into a financing transaction in
12 which the Plaintiffs would have to pay at least \$220,000 interest over 18 months on
13 loaned funds of no more than \$297,020.78, failing to advise the Plaintiffs not to enter into
14 such an onerous transaction, failing to procure for the Plaintiffs a legitimate mortgage
15 loan having reasonable fees and interest rates despite having had the ability to do so., and
16 by arranging for the Plaintiffs to sign a contract obligating them to refinance the sale-
17 leaseback loan with Focus Mortgage, LLC, at the end of an 18 month "lease term;"

18 d. Failing to disclose important information relevant to the transaction, such as the
19 Defendants' true intention, the amount of financial gain the Defendants expected from
20 the transaction, the nature of Defendant Pierson's affiliation with the other Defendants, or
21 and the fact that the Plaintiffs were unlikely to qualify for a \$485,000 purchase money
22 loan with which to "buy-back" their home at the end-stage of the transaction; and
23
24

1 e. Failing to use due care and skill in representing the Plaintiffs by advising and
2 arranging for the Plaintiffs to enter into a distressed home conveyance despite knowing,
3 or being in a position to have known, that a distressed home conveyance would require
4 the Plaintiffs to incur exorbitant and unconscionable fees and would not realistically
5 enable the Plaintiffs to avoid losing their home.

6 73. Each violation of the Defendants' fiduciary duties constitutes a per se violation of the
7 Consumer Protection Act, for which the Plaintiffs are entitled to relief under RCW 61.34.040
8 and RCW 19.86 et seq.

9 **COUNT EIGHT: WASHINGTON CREDIT SERVICES ORGANIZATIONS ACT VIOLATIONS**

10 74. Defendants Michelle Merceri, Katherine Merceri, Alternative Investors, Inc., and
11 Focus Mortgage, LLC, are "Credit Service Organizations" because they represented to the
12 Plaintiffs that they could help them avoid a pending home foreclosure and help the Plaintiffs
13 "rebuild their credit." See RCW 19.134.010(2)(a).

14 75. The Defendants violated several provisions of the Credit Services Organizations Act
15 (CSOA) with respect to the transaction involving the Plaintiffs, including:

16 a. Employing a scheme, device, or artifice to defraud and mislead the Plaintiffs,
17 which was designed to and did deprive the Plaintiffs of about \$120,000 in home equity;

18 b. Engaging in unfair and deceptive practices, such as promising to help the
19 Plaintiffs "save their home from foreclosure" while having no such intention, falsely
20 claiming to have "helped over 100 families get out from under the threat of foreclosure,"
21 and as detailed elsewhere in this Complaint,;

22 c. Making deceptive and misleading statements and omissions concerning the
23 Plaintiffs' financial position and ability to qualify for financing;
24

1 d. Failing to provide the written disclosures to the Plaintiffs that are required by
2 RCW 19.134.040 and 19.134.060, and failing to disclose the information required by the
3 CSOA, such as a complete and detailed description of the services to be performed by the
4 Defendants for the Plaintiffs and the total amount the Plaintiffs would have to pay, or
5 become obligated to pay, for the services;

6 e. Failing to use due care and skill as Credit Service Organizations by causing the
7 Plaintiffs to enter into a transaction whereby the Plaintiffs gave a deed to their \$502,000
8 home to Defendant Pierson for consideration of about \$290,686.58, and to recover the
9 deed would need to pay over \$220,000 in finance charges on a loan principal of
10 \$297,020.78 over 18 months;

11 f. Actually charging and receiving fees from the Plaintiffs without providing
12 required written disclosures, in violation of RCW 19.134.020.

13 76. Each of these violations of the Credit Services Organizations Act constituted per se
14 violations of the Consumer Protection Act, for which the Plaintiffs are entitled to relief under
15 RCW 19.86 et seq.

16 **COUNT NINE: WASHINGTON CONSUMER PROTECTION ACT VIOLATIONS**

17 77. As set forth above, all the Defendants committed per se violations of the Washington
18 Consumer Protection Act, being RCW 19.82 et seq.

19 78. In addition to such per se violations, the Defendants engaged in numerous other
20 unfair and deceptive commercial practices, including:

21 a. Disguising a financing transaction as a series of real estate purchases, sales,
22 leases, and options, for the purpose of masking the true cost of the credit and of
23 circumventing and undermining the Plaintiffs' legal protections;
24

1 b. Charging a usurious interest rate and fees that were grossly in excess of
2 reasonable compensation for the benefits Defendants provided to the Plaintiffs;

3 c. Preparing written transaction documents that differed from the Defendants' oral
4 explanations of the transaction terms, such as by promising an 18-month "lease" term but
5 delivering only a "month-to-month" tenancy;

6 d. Failing to provide copies of the transaction documents to the Plaintiffs in a
7 reasonable time after the transaction, or in response to requests from the Plaintiffs;

8 e. Exploiting the Plaintiffs' financial distress and time constraints to pressure
9 the Plaintiffs into a transaction the Defendants knew was abusive and unfair;

10 f. Failing to deliver a reasonably complete and accurate disclosures of itemized
11 transaction costs, fees, payments, and other information reasonably necessary for the
12 Plaintiffs to evaluate the transaction and make an intelligent judgment about entering into
13 it within a reasonable time before the transaction took place;

14 g. Confusing the Plaintiffs as to their rights, remedies, and obligations in the terms
15 of a consumer credit transaction;

16 h. Engaging in an equity-skimming operation, contrary to RCW 61.34;

17 79. The Defendants engaged in these unfair, unconscionable, and deceptive acts
18 intentionally and purposefully, in the scope of trade or commerce and with the objective of
19 obtaining either (i) the Plaintiffs home, which was appraised at \$502,000, for at most
20 \$297,020.78, or (ii) to gain finance charges of more than \$220,000 on loaned funds of no more
21 than \$297,020.78 over 18 months time.

22 80. The Plaintiffs are entitled to damages and injunctive relief based upon Defendants'
23 serial violations of the Consumer Protection Act. RCW 19.86.090
24

COUNT TEN: ENTERPRISE CORRUPTION/RACKETEERING

81. As discussed above, the distressed home conveyance transaction in this case entailed the extraction of usurious interest from the Plaintiffs; indeed, the effective interest rate on this transaction is more than four-times the permissible interest rate under state law (RCW 19.52.020(1)), making the debt unlawful under the federal Racketeering-Influenced and Corrupt Organizations Act (RICO). See 18 USC 1962.

82. A debt predicated on usurious interest is unlawful debt, and Defendants have engaged in substantial efforts to collect this unlawful debt, including (i) setting up a bank account at US Bank where the Plaintiffs could deposit payments, (ii) creating payment coupons for the Plaintiffs to use; (iii) actually collecting at least \$24,300 in interest payments from the Plaintiffs, (iv) demanding that the Plaintiffs vacate their residence and forfeit same to Defendants; and (v) instituting unlawful detainer proceedings against the Plaintiffs with the objective of obtaining the property in satisfaction of the unlawful debt.

83. In addition, the Merceris—both individually and through Alternative Investors, Inc. and Focus Mortgage, LLC—collected an additional \$120,000 (approx.) of the Plaintiffs' home equity by arranging for Defendant Pierson to obtain a \$417,000 loan from Defendant GMAC, directing at most \$297,020.78 of those loan proceeds to retire the Plaintiffs' pre-existing (Argent) mortgage note, and then appropriating (and keeping) the remaining loan proceeds.

84. Defendants worked together in a common enterprise and established and utilized numerous corporate forms with which to carry out the fraudulent schemes involved in this action, as well as other foreclosure rescue scams.

85. The Defendants' efforts to collect the unlawful debt constitutes racketeering and enterprise corruption activities in violation of federal racketeering law. See 18 USC 1962.

1 86. The Defendants' abuse of numerous connected business organizations to manage and
2 facilitate corrupt activities that exploit and financially injure vulnerable consumers is unfair and
3 contrary to the Washington Consumer Protection Act.

4 **COUNT ELEVEN: COMMON LAW FRAUD/MISREPRESENTATION**

5 87. The Defendants made numerous representations concerning information material to
6 the Plaintiffs' decision to enter into this transaction, including:

7 a. That the Defendants intended to help the Plaintiffs save their home from
8 foreclosure, rebuild their credit, and recover their home equity;

9 b. That the Defendants could successfully enable the Plaintiffs to save their home
10 from foreclosure, rebuild their credit, and recover their home equity because the
11 Defendants had helped "over 100 families get out from under the threat of foreclosure;"

12 c. That the Defendants would locate an investor to "hold title" to the Plaintiffs'
13 home, and that the reason for holding title was to collateralize a loan;

14 d. That Defendant Murphy Pierson, the investor who ultimately obtained legal
15 title to the Plaintiffs' home, was not previously known to or otherwise affiliated with the
16 other Defendants;

17 e. That after making "rent" payments to Defendant Pierson for 18 months, the
18 Defendants could recover title to their home by "paying off" Pierson at a price equal to
19 the amount required to retire the Argent Loan, which the Defendants knew the Plaintiffs'
20 believed to be about \$285,000, when the amount actually required to retire the Argent
21 loan was actually between \$290,686.58 and \$297,020.78, with the amount needed to "pay
22 off" Pierson being \$485,000; and
23
24

1 f. That the Plaintiffs would be able to pay off Pierson at the end of the 18 month
2 period by obtaining a loan through Defendant Focus Mortgage, LLC.

3 88. The Defendants made these representations despite knowing the contents of the
4 representations to be substantively false, or else lacking any good faith basis for believing the
5 information to be true.

6 89. The Plaintiffs reasonably relied on these representations as part of their decision to
7 enter into the distressed home conveyance transaction with the Defendants, causing the Plaintiffs
8 to suffer injuries.

9 90. The Defendants are liable to the Plaintiffs for damages resulting from their material
10 misrepresentations, which were made recklessly and/or maliciously and with the intent to
11 defraud the Plaintiffs.

12 91. In the alternative, the Defendants made the misrepresentations at least negligently,
13 and are liable to the Plaintiffs on the theory of negligent misrepresentation.

14 **RELIEF REQUESTED**

15 Based on all of the foregoing paragraphs, the Plaintiffs request the following relief:

16 92. Rescission of all the above-described transactions and an order of quiet title restoring
17 title of 5623 - 129th Avenue SE, Bellevue, Washington, to Karen Handlin and Maxine Fortune, in
18 their proper shares, together with cancellation of all liens, encumbrances, notes and other claims
19 upon the property, save for an equitable lien in whatever amount the Court finds Defendants
20 advanced on the Plaintiffs' behalf, less damages to which the Plaintiffs are entitled;

21 93. Cancellation of any and all notes, loans, debts, or security interests, or other
22 obligations claimed upon the Plaintiffs personally or their property, arising out of the conduct
23 and documents alleged in this complaint, or derived therefrom;
24

1 94. An order requiring the Defendants to deliver forthwith into the Court all copies of
2 which Defendants have actual or constructive knowledge of any deeds, promissory notes, or
3 other documents purporting to convey, encumber, or otherwise affect the Plaintiffs' land, or
4 granting or affecting the authority of any other person to act on the Plaintiffs' behalf;

5 95. Damages in whatever amount this Court shall find appropriate to compensate the
6 Plaintiffs for the losses they have suffered;

7 96. All statutory damages to which the Plaintiffs are entitled under the Washington
8 Consumer Protection Act, Usury Statute, TILA, RESPA, RICO, and any other applicable laws;

9 97. All costs of this litigation;

10 98. An award of treble or other exemplary damages in whatever amount the Court shall
11 find appropriate under relevant statutory, regulatory, and common law authority;

12 99. A permanent injunction prohibiting the Defendants from ever again engaging in
13 residential real estate or mortgage transactions on behalf of other persons in the State of
14 Washington, and ordering Defendants to publish a copy of the injunction to all of its present and
15 former clients at Defendants' own expense;

16 100. Leave to record the judgment with the King County Recorder's Office as may be
17 necessary; and

18 101. Such other relief as the Court may find appropriate in the interests of justice.

19 RESPECTFULLY SUBMITTED this 1st day of December, 2008.

20 **NORTHWEST JUSTICE PROJECT**


21 
22 By: _____
23 Eric Dunn, WSBA #36622
24 Attorney for Brian & Karen Handlin

EXHIBIT B

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

KAREN HANDLIN, BRIAN HANDLIN, and
MAXINE FORTUNE

Plaintiffs,

vs.

MURPHY PIERSON, MICHELLE MERCERI,
KATHERINE MERCERI, ALTERNATIVE
INVESTORS, INC., FOCUS MORTGAGE,
LLC, AZ-WA INVESTORS (a partnership)

Defendants.

No. 08-2-38667-8 SEA .

SUMMONS (20 Day)

TO: THE DEFENDANTS ABOVE NAMED:

A lawsuit has been started against you in the above-entitled Court by Karen Handlin, Brian Handlin, and Maxine Fortune, the above-named Plaintiffs. The Plaintiffs' claims are stated in the written complaint, a copy of which is served upon you with this summons.

In order to defend against this lawsuit, you must respond to the complaint by stating your defense in writing, and serve a copy upon the undersigned attorney for the Plaintiffs within twenty (20) days after the service of this summons, excluding the day of service, or a default

SUMMONS - PAGE 1 OF 2

COPY

Northwest Justice Project
401 Second Avenue S, Suite 407
Seattle, Washington 98104
Phone: (206) 464-1519 Fax: (206) 624-7501

1 judgment may be entered against you without notice. A default judgment is one where the
2 Plaintiffs are entitled to what they asked for because you have not responded. If you serve a
3 notice of appearance on the undersigned attorneys, you are entitled to notice before a default
4 judgment may be entered.

5 You may demand that the Plaintiffs file this lawsuit with the court. If you do so the
6 demand must be in writing and must be served upon the person signing this summons. Within
7 fourteen (14) days after you serve the demand, the Plaintiffs must file this lawsuit with the court,
8 or the service on you of this summons and complaint will be void.

9 If you wish to seek the advice of an attorney in this matter, you should do so promptly so
10 that your written response, if any, may be served on time.

11 THIS SUMMONS is issued pursuant to Rule 4 of the Superior Court Civil Rules of the
12 State of Washington.

13 DATED this 1st day of December, 2008.

14
15 NORTHWEST JUSTICE PROJECT

16 

17 Eric Dunn, WSBA #36622

18 Attorneys for Karen & Brian Handlin
19 401 Second Avenue South, Suite 407
20 Seattle, WA 98104
21 (206) 464-1519, ext. 234
22 EricD@nwjustice.org

23
24 SUMMONS - PAGE 2 OF 2

Northwest Justice Project
401 Second Avenue S, Suite 407
Seattle, Washington 98104
Phone: (206) 464-1519 Fax: (206) 624-7501

EXHIBIT C

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

KAREN HANDLIN, BRIAN HANDLIN, and
MAXINE FORTUNE,

Plaintiffs.

v.

MURPHY PIERSON; MICHELLE MERCERI;
KATHERINE MERCERI; ALTERNATIVE
INVESTORS, INC.; FOCUS MORTGAGE,
LLC; AZ-WA INVESTORS (a partnership);
RECONTRUST COMPANY, N.A.; and
GMAC MORTGAGE CORPORATION,

Defendants.

NO. 08-2-38667-8SEA

NOTICE TO ADVERSE PARTY
OF REMOVAL TO FEDERAL
COURT

TO: CLERK OF THE ABOVE ENTITLED COURT

AND TO: ERIC DUNN, Attorney for Plaintiffs:

NOTICE IS HEREBY GIVEN that on December 31, 2008, defendant GMAC Mortgage Corporation, ("Defendant") filed a Notice of Removal and supporting documents in the United States District Court for the Western District of Washington at Seattle, pursuant to 28 U.S.C. § 1446(a). A copy of the Notice of Removal is attached hereto as Exhibit A.


PLEASE TAKE FURTHER NOTICE that, pursuant to 28 U.S.C. § 1446(d), the filing of the Notice of Removal, together with a filing of a copy of this notice, effects removal of this action and this Court may not proceed further unless and until the action is remanded.

NOTICE TO ADVERSE PARTY OF
REMOVAL TO FEDERAL COURT - 1

BISHOP, WHITE & MARSHALL, P.S.
720 OLIVE WAY, SUITE 1301
SEATTLE, WASHINGTON 98101-1801
206/622.5306 FAX:206/622.0354

1 DATED this 31st day of December, 2008.

2 BISHOP, WHITE & MARSHALL, P.S.

3 
4 David A. Weibel, WSBA # 24031

5 Attorneys for
6 Defendant GMAC Mortgage Corporation
7
8
9
10
11

12 **DECLARATION OF SERVICE**

13 I hereby declare under penalty of perjury of the laws of the State of Washington and the
14 United States of America that on this 31st day of December, 2008, I caused to be delivered a copy
15 of the foregoing Notice to Adverse Party of Removal to Federal Court to the following in the
16 manner indicated:

17 Eric Dunn
18 Northwest Justice Project
19 401 Second Avenue S., Suite 407
20 Seattle, WA 98104

[] By United States Mail
[x] By Legal Messenger
[] By Federal Express
[x] By Hand Delivery

21 Signed this 31st day of December, 2008 at Seattle, Washington.

22 
23 Angela Craig
24
25

NOTICE TO ADVERSE PARTY OF
REMOVAL TO FEDERAL COURT - 2

BISHOP, WHITE & MARSHALL, P.S.
720 OLIVE WAY, SUITE 1301
SEATTLE, WASHINGTON 98101-1801
206/622.5306 FAX:206/622.0354